ATTACHMENT 2

Oxford Tire Recycling of Northern California, Inc.
phone (209) 894-3445 fax (209) 894-3450

May 13, 1998

Dorothy Rice, Deputy Director
Permitting and Enforcement Division
California Integrated Waste Management Board
8800 Cal Center Drive
Sacramento, CA 95826

Dear Ms. Rice:

Attached is the closure plan requested through the Board's Clean Up and Abatement Order No. 98-26.

In accordance with Section 8 of the Tire Pile Agreement between the Board and Oxford Tire Recycling (Oxford), Oxford plans on initiating the closure plan immediately upon the disposal of the 4 millionth tire by MELP. Initially, we will begin by loading tires into trailers and transporting them to the Altamont Landfill to be shredded for use as alternative daily cover. The shredding operation at the pile will be implemented a short time later. We intend on dealing with one fourteenth of the pile each and every month. However, we must come to agreement on a few issues for this project to succeed. They are:

1) The amount of tires in the pile. When Oxford entered into the Tire Pile Agreement it was agreed by all parties that the weight of the tires in the pile was 72,000 tons. 40,000 tons were to be burnt by MELP and the remaining 32,000 tons to be disposed of by Oxford. With 14 months to dispose of the remaining tires, the monthly disposal target was about 2,300 tons per month. But the Cleanup and Abatement Order states that Oxford must dispose of 5,286 tons per month based upon a study prepared by Psomas and Associates. Visual inspection of the tire pile easily refutes the accuracy of the study but the Clean up and Abatement Order treats its result as unquestionable fact. Further, the Clean up and Abatement Order states that "...The estimate (of the number of tires) shall be based on either CIWMB's new survey as presented in the Board's February 1998 Board meeting agenda item of another estimate submitted by Oxford. In the latter case, Oxford shall provide a detailed technical basis for the estimate." I requested a copy of the details of the study through the Public Records Act but was not provided any documents. I would like to work out an arrangement by where we visually gauge the progress of remediation by volume not weight, thereby eliminating further arguments on which number is correct.
2) The Clean Up and Abatement Order includes tires that are south of our leased property and are not our responsibility. We recommend that the Board address the remediation of those tires with their owner.
3) The Clean Up and Abatement Order specifies the order of cleanup. The order of cleanup should be the sole decision of the site owner and operator. I do not understand why the Board

17-15

should care what tires get remediated first unless there is a desire to negatively impact Oxford's business dealings in order to force the company into a bankrupt situation, thus freeing the $1 million financial assurance for expenditure by the board.

4) The Closure Plan instructions discuss the costs of cleanup by a third party. The OTR/CIWMB Tire Pile Agreement specifies that "...OTR further agrees to proceed diligently to complete the full clean up and remediation of the OTR Tire Pile and the OTR facility within fourteen (14) months..." Therefore, the requirement that OTR fund a third party does not fit this situation.

As I said above, we will initiate cleanup as soon as your staff inform us that the 4 millionth tire has been disposed. I am available to discuss this issue with you or any Board staff at your convenience. Please contact me at (916) 979-0331

Sincerely,

Michael Byrne

17-16

State of California California Integrated Waste Management Board

Waste Tire Facilities
CLOSURE PLAN

General Information:

1. Facility Name:

   Oxford Tire Recycling of Northern California, Inc.

2. Facility Mailing Address and Location:

   P.O. Box 969
   4561 Ingram Creek Rd.
   Westley, Stanislaus 95387-0969

3. Site Operator's Name:

   Mark Kirkland, President
   P.O. Box 969
   4561 Ingram Creek Rd.
   Westley, CA 95387-0969
   phone: (209) 894-3445

4. Property Owner Name

   Edward Filbin
   315 Bayhill Circle
   Dayton, Nevada 89403
   phone: (702) 246-0588

PART A

*This closure plan is based upon the operator, Oxford Tire Recycling, doing the cleanup as agreed to in the Tire Pile Agreement between the Board and Oxford Tire Recycling. Therefore the cost estimate is **not** for a third party to do the work.*

PART B

The operator shall provide the following information to the Board prior to the commencement of closure:

1. A closure schedule with a time period for completion

In accordance with Section 8 of the Tire Pile Agreement between the California Integrated Waste Management Board and Oxford Tire Recycling of Northern California, Inc. (OTR), OTR will "...proceed diligently to complete the full clean up and remediation of the OTR Tire Pile and the OTR Facility within fourteen (14) months after the disposal at the project of four million (4,000,000) OTR Tire Pile Tires (40,000 Tons)."

2. Details of the final disposition of the waste tires and waste tire products, in accordance with section 18441 (a). Include the name of each business that will receive the waste tires and the amounts. Provide also the address and phone number for each business.

There are basically four different types of tires on the tire pile, which are:

1) *Passenger and truck tires with a diameter of less than 52" that are burnable by MELP;*
2) *Truck and tractor tires with a diameter of more than 52" that are not burnable by MELP but can be shredded by a primary shredder;*
3) *Heavy-duty and earth-moving equipment tires that cannot be shredded whole by a primary shredder; and*
4) *Specialty tires and rims, such as forklift tires, where the rubber tire is fused to the steel rim.*

All type 1) and 2) tires will be either shredded on site and transported to the Altamont Landfill for use as alternative daily cover or transported to the Altamont Landfill whole and shredded at the landfill for use as alternative daily cover.

Type 3) tires will be segregated as they come off of the pile and made available for sale for the next twelve months. At the end of the twelve month period all tires that have not been sold will be cut into sections and transported to the Altamont landfill for disposal.

Type 4) tires will be segregated as they come off of the pile and Oxford will either separate the tires from the rims using either a press or a lathe. The rubber will be put into containers and the steel will be put into separate containers. Both products will be sold as commodities.

Ninety five percent of the tires in the tire pile are types 1) and 2).

3. A description of how the closure requirements of Section 18441 of this Chapter will be met:

PART C

CLOSURE COST
ESTIMATE Worksheet

The estimate shall be completed by the operator/owner or duly recognized representative to include the following information:

1) the name, address, and telephone number of the authorized waste tire facility, where waste tires will be taken upon closure.

Altamont Landfill
10840 Altamont Pass Road
Livermore, CA 94550
phone: (510) 449-6349

2) The cost estimate for a third party to cleanup the site along with the detail of how this estimate was calculated, as described below. The estimate shall be developed for the activities anticipated for closure including disposition of waste tires and tire residues, equipment, labor and administration. Attach the cost estimate and all supporting documentation used in arriving at the closure cost estimate.

*This closure plan is based upon the operator, Oxford Tire Recycling, doing the cleanup as agreed to in the Tire Pile Agreement between the Board and Oxford Tire Recycling. Therefore the cost estimate is **not** for a third party to do the work.*

Calculate the Total Closure Cost Estimate in dollars for the waste tire facility being closed using the following formula:

Total Closure Cost Estimate (TCC) = 1.2 x (Transportation Cost + Destination Charge + Loading Cost + Administrative Cost + Security Cost)

= 1.2 x ($55,610.00 + $320,100 + $320,100)

= $ 834,972

Where:

"Transportation Cost" represents the total cost of transportation for all loads of tires leaving the facility as well as the cost of the vehicles returning. The transportation cost shall be computed using the following formula:

Transportation Cost ($) = M x MT x TC

= 42 x 1,455 x $0.91

= $55,610.00

Factor "M" (miles) represents the total distance (Round Trip Mileage) to be covered by a vehicle transporting a load, from the closing facility to a facility selected by the operator that would accept the waste tires in the form that they are, or will be stored (e.g., shreds vs. Whole). The destination facility shall meet the criteria in section 18441 (a) of Article 6, Chapter 6.

Round trip distance from the Oxford facility to the Altamont Landfill is 42 miles.

M = 42 miles

Factor "MT" (number of round trips) represents the number of truck loads of waste tires that will be required during the cleanup. The number of truck loads for a particular size waste tire is determined by dividing the total number of waste tires that are of one size (e.g., passenger) by the number of waste tires that are of that size that can fit into one truck load. Fewer large tractor tires can be hauled by the same truck that is also used for passenger tires. "MT" should be based on the maximum number of loads that are necessary to clear site. This will be based on the maximum quantity of waste tires that the operator is seeking a permit to store as specified in the Operation Plan. Form CIWMB 501 (10/92); however, the method of storage shall be taken into consideration. For example, is the operator intends to store only shredded waste tires, the calculations should be based on whichever storage condition requires the greatest cleanup cost.

We feel that the best estimate for the number of tires at the facility is the 72,000 tons used when both the permit and the Tire Pile Agreement were originated. Although we have requested information supporting the latest estimate of tires by Psomas and Associates, and requested such information through the Public Records Act, to date we have not been provided with those details.

72,000 tons less the 40,000 tons disposed through the Tire Pile Agreement, leaves a balance of 32,000 tons of tires that must be removed. One walking floor trailer can hold 22 tons of tire shreds. Therefore, the total round trips necessary to remove all tires are:

32,000 divided by 22 = 1,455 round trips

MT = 1,455 round trips

Factor "TC" ($ per load per mile) represents the cost per mile to transport a load of waste tires. The cost includes average expenses for transportation equipment, fuel, driver wages, tolls, and the vehicles maintenance. This cost will vary based on the size of the vehicle.

Oxford Tire Recycling uses contract drivers that bill out at $0.91 per mile.

TC = $0.91 per mile

The "Destination Charge" represents the total cost of tipping fees or disposal fees for all loads of waste tires transferred from cleanup site to the destination facility. The Destination Charge shall be computed using the following formula:

Destination Charge ($) = MT x TF

= 1,455 x $220.00

= $320,100

Factor "MT" is described above.

Factor "TF" ($ per load) represents the cost to deposit waste tires at the destination facility. This may be a tipping fee or a disposal fee. If the fee is expressed in dollars per ton then this number must be multiplied by the weight of the load in order to yield dollars per load. The tipping fee should be based on the form of the waste tires (e.g. shreds vs. whole).

$10.00 per ton to dispose of shreds at the Altamont Landfill. Each walking floor trailer can hold 22 tons of primary tire shreds.

TF = $220.00

"Loading cost" represents the total cost of loading all loads of tires in to vehicles at the closure facility and unloading the vehicles at the final destination. "Loading Cost" shall be computed using the following formula:

Loading cost ($) = MT x LC

= 1,455 x $220.00

= $320,1000

Factor "MT" is described above.

Factor "LC" ($ per load) represents the unit cost to load one vehicle with waste tires at the closing facility, and to unload the same waste tires at the final destination. This cost includes operational expenses which cover wages for workers and pro rated expenses for rental or lease of equipment and machinery.

Oxford will operate a mobile shredder at the tire pile. We estimate that for $10.00 per ton we can feed the shredder which conveyors the shreds into an open-top walking floor trailer for transport to the landfill.

Oxford can rent the shredding system for $91,000 per year. Fourteen months costs would be $106,000. $106,000 divided by 32,000 equals $3.30 per ton.. That leaves $6.10 per ton to move and feed the shredder. The shredder can handle 10 tons of tires per hour easily and can be operated by a crew of three to four. At $6.10 per ton at 10 tons per hour, we are budgeting $61.00 per hour for crew costs, well in excess of actual costs.

LC = $220.00

"Administration Cost" ($) represents the total cost of administration activities for the entire closure operation. This cost shall include the wages for personnel overseeing the cleanup activities and other operating expenses for the entire project

There would be no new administrative cost because existing Oxford employees would oversee this project in addition to their current duties.

"Security Cost" ($) represents the total cost of security arrangements for entire closure operation This is the cost to secure the site and restrict public access. This cost covers the expenses for the entire cleanup operation and includes installations of site fence, installations or repair of lighting, and wages for security guards, etc

There would be no need for additional security at this facility.

1) Total Closure Cost Estimation will vary according to the facility's design and operation as presented in the operation plan, Form CIWMB 501 (10/92)
2) All costs will be added and then multiplied by the contingency factor of 1.2 to estimate Total Closure Cost for the cleanup
3) Any deviations from the above formula must be explained.
4) Complete a separate closure cost estimate worksheet if the waste tires are to be transported to more than one point of destination.

OPERATOR CERTIFICATION

Operator certification: I certify that this document and all attachments were prepared under my direction or supervision. I have inquired of the person or persons who manage the system or those persons directly responsible for gathering the information, and certify that the information submitted is, to the best of my knowledge and belief, true, accurate and complete.

Mark R Kukkola
Operator Signature

5-13-98
Date